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DEPARTMENT OF NATURAL RESOURCES

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Original
M0350002

Memo

DATE: April 9, 2008

TO: Minerals File, Minerals Program – Mining initial _____

THRU: Mary Ann Wright– Associate Director Mining initial _____

THRU: Susan M. White, Mining Coordinator – Mining initial _____

FROM: Beth Ericksen, Mining Engineer – Mining initial _____

SUBJECT: Outline of KUC Letter Inaccuracies Regarding Waste Dump Code 22

The attached April 3 KUC letter serves as a response to a Sept. 13, 2007 Division inspection of Code 22 waste dump. The focus of this memo is to address the April 3, 2008 KUC letter inaccuracies. I believe that credible and reasonably correct information is crucial to encourage and promote integrity and mirror the resemblance of verbal discussions between staff and KUC staff.

The introduction of the KUC letter indicates a site “inspection” occurred on Feb. 9, 2007 that was performed by Mr. Munson and Ms. Ericksen. The Division lead for KUC during this time was Mr. Doug Jensen, who was in attendance at the Feb. 9, 2007 site “inspection” (KUC fails to mention his presence in the letter). The KUC letter of April 3, 2008 refers to the visit as an *inspection*, however, the word has different meaning and intent from a Division perspective. Whenever a site inspection occurs, a Division inspection report is produced. Because the site visit was not considered an inspection, no inspection report was generated.

The on-site visit was to provide a general overview of the area to hydrologist, Mr. Tom Munson and Surety Coordinator, Ms. Beth Ericksen (who later was assigned as KUC lead once relieved of surety duties and Mr. Doug Jensen left the Division).

The Division encourages staff members not directly involved in mine plan details to perform visits and tours to develop awareness and familiarity of state mine sites. If technical discussion regarding the submitted plans and maps of January 24, 2007 occurred during the Feb. 9, 2007 visit, it was directly between Mr. Doug Jensen (now current KUC contracted employee) and KUC.

Memo
Page 2 of 3
KUC M/035/002
April 9, 2008

The letter continues to explain that Ms. Ericksen performed a second inspection on Sept. 13, 2007. The Sept. 13 inspection was in fact Ms. Ericksen's *first* inspection of the Code 22 area and subsequently an inspection report was generated and submitted to KUC. The reasons to conduct the inspection are outlined in the Sept. 17, 2007 report, but primarily were to evaluate the area topography, dump placement, and the possible influence the dump may have had on the off-site sediment flow from July 27, 2007 storm event.

Furthermore, the Division inspection report of Sept 17, 2007, specifically requested a KUC response to the series of questions/concerns with Code 22 dump. The April 3 KUC letter implies that Ms. Ericksen, during conversation, asked for specific responses to the Code 22 concerns on Jan 31, 2008. The Code 22 Division questions were in writing within the Sept 17, 2007 inspection report. Generally, KUC was to respond to the following concerns (which are extracted from the Sept 17, 2007 inspection report):

- It is recommended that further inquiry and investigation is required within KUC to determine the area stability history. Although speculative, the concern is that a deep-seated failure of Code 22 dump could contribute loose material easily mobilized by rainfall/storm water, which ultimately may inundate the downstream drainage control system. The Division would like the results of that inquiry and move the discussion forward.
- A plan should be established for the final dump face contours for Code 22. Kennecott should consider the use of natural regrade software to plan and design more natural shaped slopes (where possible) in lieu of long and wide linear slopes. Kennecott should investigate the potential of using the Code 22 dump face to mitigate, even if a small amount, the Yosemite dump slope length and smoothness.
- Since this area ultimately leads into the Yosemite drainage, considerations should be made for increased sediment contribution, which will affect the optimization design(s) for the Yosemite drainage system.
- The Division would like more information about the current geotech monitoring schedule and scope at Yosemite and Code 22.

A follow-up email dated April 3, 2008 from Ms. Ericksen to KUC's Mr. Kaiser indicated that KUC's Ms. Peacey outlined the agreed upon responses related to Code 22 and that email had been forwarded to Mr. Kaiser.

The conference call discussion of Jan. 30, 2008 served as a **reminder** that KUC must address the specific concerns within the inspection report. The Division reminded KUC on several occasions that a response to the Sept. 17, 2007 inspection report was necessary. Among some of the verbal/email reminders are dated as follows: Dec. 17, 2007 (verbal at Division meeting), Feb. 6, 2008 (verbal at Division meeting), March 11, 2008 (email), April 2, 2008 (telephone). As demonstrated by the number of reminders outlined above, the Division routinely asked KUC to address the Code 22 concerns as outlined in the Sept. 17, 2007 inspection report. KUC tacitly agreed each time, but failed

Memo
Page 3 of 3
KUC M/035/002
April 9, 2008

to follow through. The last telephone call to KUC on April 2, 2008, explained to KUC that if they do not respond, a Division Directive would have to be ordered.

The Division's role as a permitting and regulatory agency is to ensure that the environment is safeguarded while protecting public health and safety and to preserve the economic and physical well-being of the state among other important factors. If KUC insists on mis-stating the facts and providing partial truths, the successful outcome of achievable workable solutions will diminish.